

INSTRUCTIONS – FORM 900ME

GENERAL INFORMATION

Use Form 900ME vouchers in this booklet to make Income Tax Withholding payments.

Employers who reported Maine Income Tax Withholding of \$18,000 or more for the 12 months ending June 30, 2003 are required to make payments of income tax withholding using the following schedule:

<u>Day Wages Paid</u>	<u>Remittance Due</u>
Wednesday, Thursday, Friday	On or before the following Wednesday
Saturday, Sunday, Monday, Tuesday	On or before the following Friday

Employers who reported Maine Income Tax Withholding of less than \$18,000 for the 12 months ending June 30, 2003 need only remit payment of income tax withholding with the quarterly withholding return (Form 941ME) or the quarterly combined withholding/unemployment return (Form 941/C1-ME).

Interest and Penalty. Interest is 6% per year, compounded monthly, for late payment of withholding tax. The penalty for failure to pay the withholding tax on time is 1% per month up to a maximum of 25%. Interest and penalty charges also apply to the late filing of quarterly Form 941ME or Form 941/C1-ME.

If you have any questions about income tax, visit our Web site at www.maine.gov/revenue, where downloadable forms are available, or call **Maine Revenue Services at 207-626-8475**. If you need more vouchers, please call 207-624-7894.

ELECTRONIC FUNDS TRANSFER (“EFT”)

Maine Revenue Services accepts both ACH credit method and ACH debit method payments. ACH debit method payments may be authorized through MRS’s telephone ACH electronic funds withdrawal payment system. Participation using the ACH credit method or the ACH electronic funds withdrawal telephone payment system requires that an application first be filed with MRS. 36 M.R.S.A. § 193 and MRS Rule 102 mandate taxpayers with annual withholding liabilities of \$200,000 or more to pay electronically. Maine Revenue Services also accepts voluntary participants into its electronic funds transfer programs. There are no payment minimums.

For up-to-date information, to obtain an application for either the ACH Credit Method or ACH Telephone Electronic Funds Withdrawal Method, to obtain a copy of Rule 102, or to get more information on EFT, visit www.maine.gov/revenue, e-mail efunds.transfer@maine.gov, call 207-287-8276, or write: EFT Unit, Maine Revenue Services, 24 State House Station, Augusta ME 04333-0024.

Penalty for Insufficient Funds. The penalty for insufficient funds applies to electronic funds transfers. The penalty is \$20 or 1% of the payment amount, whichever is greater.

Penalty for Failure to Pay by Electronic Funds Transfer. Any person required to pay by electronic funds transfer who fails to do so is liable for a penalty equal to the lesser of 5% of the tax due or \$5,000.

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Do not use Form 900ME vouchers if you remit income tax withholding by electronic funds transfer, or if you have no withholding for that period.

If you do not remit via electronic funds transfer, use these vouchers when making payments of withheld income tax. Complete one voucher to forward with each payment to Maine Revenue Services. **Use the address labels in the back of this booklet when mailing your payment and payment vouchers.**

Voucher Forms 900ME in this booklet are preprinted with your withholding account number and business name. Enter the total remittance on line 1 and the beginning and ending dates of the quarter in which the related wages were paid on line 2. For example, if the wages were paid in the first quarter (Jan. 1 - Mar. 31), then enter **01-01-04 - 03-31-04**. List on line 3 the payroll date and amount withheld for each payroll within the period included in the total remittance.

If a pay period spans the end of a quarter, and if wages are paid on payment dates that fall in each of the two quarters, separate payment vouchers for each quarter must accompany the payment.

For each quarter, file the combined income tax withholding/unemployment contribution return (Form 941/C1-ME) or return for withholding only (Form 941ME) by the last day of the month following the end of the quarter to report total withholding for the quarter and to reconcile the payments made during the quarter to the total withheld.

For further instructions and information, see your Form 941ME or Form 941/C1-ME booklet. These booklets are scheduled to be mailed in mid-March, 2004.